

Message Text

UNCLASSIFIED

PAGE 01 STATE 154448

51

ORIGIN L-03

INFO OCT-01 ARA-16 IO-13 ADP-00 COA-02 EB-11 COME-00 INT-08

ACDA-19 CEQ-02 SCI-06 TRSE-00 OMB-01 CIAE-00 DODE-00

PM-07 H-03 INR-10 NSAE-00 NSC-10 PA-03 RSC-01 PRS-01

SS-15 USIA-15 /147 R

DRAFTED BY L/OA:HDCAMITTA:MERS

08/06/73 EXT. 21700

APPROVED BY L/OA:HDCAMITTA

ARA/CEN - MR. LIPPE

----- 018625

P R 061837Z AUG 73

FM SECSTATE WASHDC

TO USMISSION GENEVA PRIORITY

INFO AMEMBASSY MANAGUA

UNCLAS STATE 154448

E.O. 11652: N/A

TAGS: PBOR, EMIN, US

SUBJ: LOS - POST ARTICLE ON HUGHES MINING

WASHINGTON POST OF AUGUST 6 RAN THE FOLLOWING
ARTICLE BY CATHE WOLHOWE ENTITLED QTE HUGHES TO
SCOOP OCEAN ORE: MINERAL OWNERSHIP AT SEA ARGUED
UNQTE, ON PAGE 1. BEGIN TEXT:

A SHIP OWNED BY BILLIONAIRE HOWARD HUGHES HAS
LEFT PHILADELPHIA TO START SCOOPING UP THE OCEAN'S
HUGE MINERAL DEPOSITS.

WHILE NATIONS ARE MEETING IN GENEVA, UNDER UNITED
NATIONS AUSPICES, TO DETERMINE OWNERSHIP OF SEABED
MINERALS AND OTHER U.S. COMPANIES ARE WAITING FOR
CONGRESS TO PASS PROTECTIVE MINING LEGISLATION, HUGHES
HAS INVESTED \$250 MILLION IN A SYSTEM EXPECTED TO
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 154448

SUCK UP 5,000 TONS OF MINERALS DAILY, ACCORDING TO

A COMPANY SPOKESMAN.

PAUL REEVES OF HUGHES' UMBRELLA COMPANY, HOUSTON-BASED SUMMA, INC., SAID THE BILLIONAIRE'S SYSTEM IS MORE SOPHISTICATED THAN THE VACUUM OR BUCKET METHODS OTHERS ARE CONSIDERING.

QTE WE KNOW HIS EQUIPMENT IS MORE ADVANCED THAN ANY WE HAVE PLANNED, UNQTE SAYS JAMES J. VICTORY OF HUGHES' MAJOR COMPETITOR, DEEPSEAS VENTURES.

THE 618-FOOT HUGHES' GLOMAR EXPLORER WAS BUILT BY SUN SHIP CO. BEHIND GUARDED BARRICADES IN PHILADELPHIA.

HUGHES' UNDERSEA EQUIPMENT WILL CIRCLE THE OCEAN FLOOR LIKE A GIANT PHONOGRAPH NEEDLE AT DEPTHS OF AT LEAST 16,000 FEET AND WITH ENOUGH WEIGHT TO STAY IN FIRM CONTACT WITH THE OCEAN'S BOTTOM.

UNLIKE HIS COMPETITORS WHO PLAN TO KEEP ALL EQUIPMENT ABOARD SHIP, HUGHES WILL SEND DOWN EQUIPMENT TO PROCESS THE ABUNDANT SEABED NODULES, TOMATO-TO-GRAPEFRUIT-SIZED ROCKS RICH IN MANGANESE, NICKEL AND COPPER.

AFTER THE MINERALS ARE PROCESSED, REEVES SAID, THEY WILL BE FORCED UP A PIPE BY COMPRESSED AIR INJECTED ABOUT 2,000 FEET BELOW THE SURFACE.

REEVES DECLINED TO SAY WHERE THE MINING WILL BE DONE. THE MOST EXTENSIVE AND RICHEST NODULE FIELDS LIE IN THE PACIFIC BETWEEN HAWAII, SAN FRANCISCO, AND THE SOUTHERN TIP OF CALIFORNIA, BUT SOME SOURCES BELIEVE HUGHES WILL MINE CLOSER TO NICARAGUA WHERE PRESIDENT ANASTASIO SOMOZA HAS ASSURED HIM THE PRIVACY HE DESIRES.

SOMEWHERE SOON, HOWEVER, THE HUGHES' GLOMAR EXPLORER WILL RENDEZVOUS WITH A TUG PULLING A 324-

UNCLASSIFIED

PAGE 03 STATE 154448

FOOT BARGE AND THE MINING WILL BEGIN.

FIRST, SAID REEVES, THE BARGE WILL SUBMERGE LIKE A DRYDOCK. THIS 106-FOOT-WIDE GIANT, WITH 15-FOOT THICK WALLS HOLDING HUGE BALLAST TANKS FOR STABILITY, WAS DESIGNED BY THE OCEANS SYSTEMS DIVISION OF LOCKHEED AIRCRAFT CORP. AND BUILT BY NATIONAL STEEL SHIPBUILDING CO. IN SAN DIEGO.

THEN A 75-FOOT HORIZONTAL CYLINDER WILL OPEN
ON TOP OF THE BARGE TO EXPOSE A MAMMOTH DREDGE HEAD
ABOUT 50 FEET WIDE.

FOUR LONG PIPES WILL BE RAISED TO STABILIZE THE
BARGE'S CONNECTION WITH THE SHIP, WHICH, BY THIS TIME,
WILL BE POSITIONED DIRECTLY OVER THE BARGE. THE
SHIP WILL DROP TWO DOCKING LEGS, 150 FEET TALL, TO
INSURE THE BARGE STAYS IN PLACE AS THE HEAVY EQUIPMENT
IS PASSED DOWN TO IT.

THE FIRST SECTION OF A STEEL PIPE, 16 INCHES WIDE,
WILL BE DROPPED THROUGH THE SHIP'S BOTTOM TO THE
OPENED CYLINDER ON THE BARGE AND DIVERS WILL ATTACH
THE PIPE TO THE DREDGE HEAD.

NEXT THE SHIP WILL MOVE TO LOWER THE THOUSANDS
OF FEET OF PIPE UNTIL THE DREDGE HEAD REACHES THE
BOTTOM AND THEN IT WILL GO FORWARD AT ABOUT 1-TO-2
KNOTS WHILE THE SELF-PROPELLED EQUIPMENT AT THE
BOTTOM SUCKS UP THE NODULES.

QTE THIS IS NOT JUST A PIE-IN-THE-SKY IDEA
ANYMORE BUT BIG BUSINESS, UNQTE SAYS COMPETITOR
VICTORY. QTE AND IT'S LOTS CHEAPER THAN MINING ON
LAND WHERE YOU HAVE TO BUILD A RAILROAD TO NOWHERE
AND PAY EXORBITANT MINING COSTS ONLY TO TRANSPORT
COPPER HALF AS RICH IN ORE. UNQTE.

TO MOVE INTO THE COMMERCIAL SPHERE ON A
LARGE SCALE WITH HUGHES WILL COST DEEPSEA VENTURES, A
TENNECO INC. SUBSIDIARY, AN ESTIMATED \$200 MILLION,
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 STATE 154448

BUT VICTORY QUICKLY ASSERTS THAT THE CAUSE OF THE
LAG IS NOT FINANCIAL OR TECHNICAL, BUT LEGAL.

QTE WE AREN'T INVESTING THAT MONEY WITHOUT
SOME ASSURANCE WE'LL BE PROTECTED IF THE U.S.
AGREES TO AN INTERNATIONAL TREATY, UNQTE VICTORY
SAYS.

UNDER A BILL INTRODUCED THIS SPRING IN CONGRESS,
MINERS WOULD PAY THE SECRETARY OF THE INTERIOR
\$5,000 FOR THE RIGHT TO LAY CLAIM TO 40,000 SQUARE
KILOMETERS IN INTERNATIONAL WATERS FOR EXPLORATION
AND MINING. THIS BILL CONTAINS A RIDER WHICH WOULD
GIVE PROTECTION TO U.S. MINERS IF AN INTERNATIONAL
TREATY IS SIGNED.

THE FUTURE OF THIS BILL IS IN QUESTION
BECAUSE EVEN ITS SENATE SPONSOR, LEE METCALF
(D-MONT.), IS OPPOSED TO IT.

HE HOPES THE BILL WILL PROD THE STATE DEPARTMENT
TO SPEED ACTION AND SAYS HE INTRODUCED THE BILL
QTE AS AN IRONICAL EXPRESSION OF WHAT COULD HAPPEN IF
THEY DON'T GET MOVING. UNQTE.

CHARLES N. BROWER, ACTING LEGAL ADVISER AT THE
STATE DEPARTMENT AND HEAD OF THE AMERICAN DELEGATION
AT THE CURRENT U.N. LAW OF THE SEA CONFERENCE IN
GENEVA, SAYS THE BILL QTE HAS BECOME A SYMBOL TO
MANY COUNTRIES OF WHAT THEY REGARD AS DEFIANCE OF
THE MULTILATERAL NEGOTIATING PROCESS. UNQTE.

BUT REP. THOMAS N. DOWNING (D. VA.) THE BILL'S
SPONSOR IN THE HOUSE AND CHAIRMAN OF THE HOUSE
OCEANOGRAPHIC SUBCOMMITTEE, BELIEVES AN AGREEMENT BETWEEN
NATIONS IS YEARS AWAY, AND ADDS, QTE THOSE MINERALS
ARE LYING ON THE BOTTOM AND WE NEED THEM. UNQTE.

AND SO, MOST AMERICAN COMPANIES ARE AWAITING
THE OUTCOME OF THE LEGISLATION BEFORE INVESTING THE
NEXT \$150 MILLION IN DEVELOPMENT. END TEXT.
UNCLASSIFIED

UNCLASSIFIED

PAGE 05 STATE 154448

ROGERS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 06 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE154448
Document Source: CORE
Document Unique ID: 00
Drafter: HDCAMITTA:MERS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730855/aaaabojw.tel
Line Count: 202
Locator: TEXT ON-LINE
Office: ORIGIN L
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 10 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10-Sep-2001 by reddocgw>; APPROVED <01 MAR 2002 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: LOS - POST ARTICLE ON HUGHES MINING WASHINGTON POST OF AUGUST 6 RAN THE FOLLOWING
TAGS: PBOR, EMIN, US
To: GENEVA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005